99th Congress
2d Session

COMMITTEE PRINT

COMPILATION

OF THE

LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

NATIVE AMERICAN PROGRAMS ACT OF 1974

HEAD START ACT

FOLLOW THROUGH ACT

COMMUNITY SERVICES BLOCK GRANT ACT

As Amended Through September 30, 1985

Prepared For Use By The

COMMITTEE ON EDUCATION AND LABOR

U.S. HOUSE OF REPRESENTATIVES

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CONTENTS

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

	Page
Title XXVI—Low-income home energy assistance	1
Sec. 2601. Short title	1
Sec. 2602. Home energy grants authorized	1
Sec. 2603. Definitions	1
Sec. 2604. State allotments	2
Sec. 2605. Applications and requirements	4
Sec. 2606. Nondiscrimination provisions	9
Sec. 2607. Payments to States	10
Sec. 2608. Withholding	11
Sec. 2609. Limitation on use of grants for construction	11
Sec. 2610. Studies	12
Sec. 2611. Repealer	12

ECONOMIC OPPORTUNITY ACT OF 1964

NATIVE AMERICAN PROGRAMS ACT OF 1974

Title VIII—Native American programs	13
Sec. 801. Short title	13
Sec. 802. Statement of purpose	13
Sec. 803. Financial assistance for Native American projects	13
Sec. 804. Technical assistance and training	14
Sec. 805. Research, demonstration, and pilot projects	14
Sec. 806. Announcement of research, demonstration, or pilot projects	14
Sec. 807. Submission of plans to State and local officials	15
Sec. 808. Records and audits	15
Sec. 809. Appeals, notice, and hearing	16
Sec. 810. Evaluation	16
Sec. 811. Labor standards	17
Sec. 812. Administration; delegation of authority	17
Sec. 813. Definitions	17
Sec. 814. Authorization of appropriations	18

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

Title VI—Human Services programs	19
Subtitle A—Authorizations savings for fiscal years 1982, 1983, and 1984	19
Chapter 8—Community Servies Programs	19

HEAD START ACT

Subchapter B—Head Start programs	19
Sec. 635. Short title	19
Sec. 636. Statement of purpose and policy	19
Sec. 637. Definitions	19
Sec. 638. Financial assistance for Head Start programs	20
Sec. 639. Authorization of appropriations	20
Sec. 640. Allotment of funds; limitations on assistance	20
Sec. 641. Designation of Head Start agencies	22
Sec. 642. Powers and functions of Head Start agencies	23

Page

Title VI—Human Services programs—Continued
Subchapter B—Head Start programs—Continued
Sec. 643. Submission of plans to Governors ... 23
Sec. 644. Administrative requirements and standards ... 24
Sec. 645. Participation in Head Start programs ... 25
Sec. 646. Appeals, notice, and hearing ... 26
Sec. 647. Records and audits ... 27
Sec. 648. Technical assistance and training ... 27
Sec. 649. Research, demonstration, and pilot projects ... 27
Sec. 650. Announcement of research, demonstration, and pilot projects contracts ... 28
Sec. 651. Evaluation ... 28
Sec. 652. Poverty line ... 29
Sec. 653. Comparability of wages ... 29
Sec. 654. Nondiscrimination provisions ... 30
Sec. 655. Limitation with respect to certain unlawful activities ... 30
Sec. 656. Political activities ... 30
Sec. 657. Advance funding ... 31

FOLLOW THROUGH ACT

Subchapter C—Follow Through programs ... 31
Sec. 661. Short title ... 31
Sec. 662. Financial assistance for Follow Through programs ... 31
Sec. 663. Authorization of appropriations ... 32
Sec. 664. Research, demonstration, and pilot projects ... 32
Sec. 665. Announcement of research, demonstration, and pilot project contracts ... 33
Sec. 666. Evaluation ... 33
Sec. 667. Technical assistance and training ... 34
Sec. 668. Special conditions ... 34
Sec. 669. Applicability of provisions of Subchapter B ... 34
Sec. 670. Repealer ... 34
Subchapter D—Grants to States for planning and development of dependent care programs and for other purposes ... 35
Sec. 670A. Authorization of appropriations ... 35
Sec. 670B. Allotments ... 35
Sec. 670C. Payments under allotments to States ... 35
Sec. 670D. Use of allotments ... 35
Sec. 670E. Application and description of activities; requirements ... 37
Sec. 670F. Report ... 38
Sec. 670G. Definitions ... 38

COMMUNITY SERVICES BLOCK GRANT ACT

Subtitle B—Community Services Block Grant Program ... 39
Sec. 671. Short title ... 39
Sec. 672. Community services grants authorized ... 39
Sec. 673. Definitions ... 39
Sec. 674. State allocations ... 41
Sec. 675. Applications and requirements ... 42
Sec. 676. Administration ... 45
Sec. 676A. Termination of funding review ... 45
Sec. 677. Nondiscrimination provisions ... 45
Sec. 678. Payments to States ... 46
Sec. 679. Withholding ... 46
Sec. 680. Limitation on use of grants for construction ... 47
Sec. 681. Discretionary authority of Secretary ... 47
Sec. 681A. Community food and nutrition ... 48
Sec. 682. Transition provisions ... 48
Sec. 683. Repealer; reauthorization provisions; technical and conforming provisions ... 50

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

[Public Law 97-35, August 13, 1981 (95 Stat. 357)]

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TITLE XXVI—LOW-INCOME HOME ENERGY ASSISTANCE

SHORT TITLE

SEC. 2601. This title may be cited as the "Low-Income Home Energy Assistance Act of 1981".

HOME ENERGY GRANTS AUTHORIZED

SEC. 2602. (a) The Secretary of Health and Human Services is authorized to make grants, in accordance with the provisions of this title, to States to assist eligible households to meet the costs of home energy.

(b) There is authorized to be appropriated to carry out the provisions of this title $2,140,000,000 for the fiscal year 1985, and $2,275,000,000 for the fiscal year 1986.

(42 U.S.C. 8621) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 893; amended October 30, 1984, P.L. 98-558, sec. 601, 98 Stat. 2889.

DEFINITIONS

SEC. 2603. As used in this title:

(1) The term "energy crisis" means weather-related and supply shortage emergencies and other household energy-related emergencies.

(2) the[1] term "household" means any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

(3) The term "home energy" means a source of heating or cooling in residential dwellings.

(4) The term "poverty level" means, with respect to a household in any State, the income poverty line as prescribed and revised at least annually pursuant to section 673(2) of the Community Services Block Grant Act, as applicable to such State.

(5) The term "Secretary" means the Secretary of Health and Human Services.

(6) The term "State" means each of the several States and the District of Columbia.

(7) The term "State median income" means the State median income promulgated by the Secretary in accordance with procedures established under section 2002(a)(6) of the Social Security Act (as such procedures were in effect on the day before

[1] So in original. Should be "The".

the date of the enactment of this Act) and adjusted, in accordance with regulations prescribed by the Secretary, to take into account the number of individuals in the household.

(42 U.S.C. 8622) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 894; amended December 29, 1981, P.L. 97-115, sec. 16, 95 Stat. 1609; amended October 30, 1984, P.L. 98-558, sec. 602, 98 Stat. 2890.

STATE ALLOTMENTS

SEC. 2604. (a)(1)(A) Except as provided in subparagraph (B), the Secretary shall, from that percentage of the amount appropriated under section 2602(b) for each fiscal year which is remaining after the amount of allotments for such fiscal year under subsection (b)(1) is determined by the Secretary, allot to each State an amount equal to such remaining percentage multiplied by the State's allotment percentage.

(B) From the sums appropriated therefor, if for any period a State has a plan which is described in section 2605(c)(1), the Secretary shall pay to such State an amount equal to 100 percent of the expenditures of such State made during such period in carrying out such plan, including administrative costs (subject to the provisions of section 2605(b)(9)(B)), with respect to households described in section 2605(b)(2).

(2) For purposes of paragraph (1), for fiscal year 1985 and thereafter, a State's allotment percentage is the percentage which expenditures for home energy by low-income households in that State bears to such expenditures in all States, except that States which thereby receive the greatest proportional increase in allotments by reason of the application of this paragraph from the amount they received pursuant to Public Law 98-139 shall have their allotments reduced to the extent necessary to ensure that—

(A)(i) no State for fiscal year 1985 shall receive less than the amount of funds the State received in fiscal year 1984; and

(ii) no State for fiscal year 1986 and thereafter shall receive less than the amount of funds the State would have received in fiscal year 1984 if the appropriations for this title for fiscal year 1984 had been $1,975,000,000, and

(B) any State whose allotment percentage out of funds available to States from a total appropriation of $2,250,000,000 would be less than 1 percent, shall not, in any year when total appropriations equal or exceed $2,250,000,000, have its allotment percentage reduced from the percentage it would receive from a total appropriation of $2,140,000,000.

(3) If the sums appropriated for any fiscal year for making grants under this title are not sufficient to pay in full the total amount allocated to a State under paragraph (1) for such fiscal year, the amount which all States will receive under this title for such fiscal year shall be ratably reduced.

(4) For the purpose of this section, the Secretary shall determine the expenditure for home energy by low-income households on the basis of the most recent satisfactory data available to the Secretary.

(b)(1) The Secretary shall apportion not less than one-tenth of 1 percent, and not more than one-half of 1 percent, of the amounts appropriated for each fiscal year to carry out this title on the basis

of need among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. The Secretary shall determine the total amount to be apportioned under this paragraph for any fiscal year (which shall not exceed one-half of 1 percent) after evaluating the extent to which each jurisdiction specified in the preceding sentence requires assistance under this paragraph for the fiscal year involved.

(2) Each jurisdiction to which paragraph (1) applies may receive grants under this title upon an application submitted to the Secretary containing provisions which describe the programs for which assistance is sought under this title, and which are consistent with the requirements of section 2605.

(c) Of the funds available to each State under subsection (a), a reasonable amount based on data from prior years shall be reserved until March 15 of each program year by each State for energy crisis intervention. The program for which funds are reserved by this subsection shall be administered by public or nonprofit entities which have experience in administering energy crisis programs under the Low-Income Energy Assistance Act of 1980, or under this Act, experience in assisting low-income individuals in the area to be served, and the capacity to undertake a timely and effective energy crisis intervention program.

(d)(1) If, with respect to any State, the Secretary—

(A) receives a request from the governing organization of an Indian tribe within the State that assistance under this title be made directly to such organization; and

(B) determines that the members of such tribe would be better served by means of grants made directly to provide benefits under this title;

the Secretary shall reserve from amounts which would otherwise be payable to such State from amounts allotted to it under this title for the fiscal year involved the amount determined under paragraph (2).

(2) The amount determined under this paragraph for a fiscal year is the amount which bears the same ratio to the amount which would (but for this subsection) be allotted to such State under this title for such fiscal year (other than by reason of section 2607(b)(2)) as the number of Indian households described in subparagraphs (A) and (B) of section 2605(b)(2) in such State with respect to which a determination under this subsection is made bears to the number of all households described in subparagraphs (A) and (B) of section 2605(b)(2) in such State.

(3) The sums reserved by the Secretary on the basis of a determination under this subsection shall be granted to—

(A) the tribal organization serving the individuals for whom such a determination has been made; or

(B) in any case where there is no tribal organization serving an individual for whom such a determination has been made, such other entity as the Secretary determines has the capacity to provide assistance pursuant to this title.

(4) In order for a tribal organization or other entity to be eligible for an amount under this subsection for a fiscal year, it shall

submit to the Secretary a plan (in lieu of being under the State's plan) for such fiscal year which meets such criteria as the Secretary may by regulations prescribe.

[(e) Repealed.] [1]

(f) A State may transfer up to 10 percent of the funds payable to it under this section for any fiscal year for its use for such fiscal year under other provisions of Federal law providing block grants for—

(1) support of activities under subtitle B of title VI (relating to community services block grant program);

(2) support of activities under title XX of the Social Security Act; or

(3) support of preventive health services, alcohol, drug, and mental health services, and primary care under title XIX of the Public Health Service Act, and maternal and child health services under title V of the Social Security Act;

or any combination of the activities described in paragraphs (1), (2), and (3). Amounts allotted to a State under any provisions of Federal law referred to in the preceding sentence and transferred by a State for use in carrying out the purposes of this title shall be treated as if they were paid to the State under this title but shall not affect the computation of the State's allotment under this title. The State shall inform the Secretary of any such transfer of funds.

(42 U.S.C. 8623) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 895; amended October 30, 1984, P.L. 98-558, sec. 603-604, 98 Stat. 2890.

APPLICATIONS AND REQUIREMENTS

SEC. 2605. (a)(1) Each State desiring to receive an allotment for any fiscal year under this title shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require. Each such application shall contain assurances by the chief executive officer of the State that the State will meet the conditions enumerated in subsection (b).

(2) After the expiration of the first fiscal year for which a State receives funds under this title, no funds shall be allotted to such State for any fiscal year under this title unless such State conducts public hearings with respect to the proposed use and distribution of funds to be provided under this title for such fiscal year.

(b) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State agrees to—

(1) use the funds available under this title for the purposes described in section 2602(a) and otherwise in accordance with the requirements of this title, and agrees not to use such funds for any payments other than payments specified in this section;

(2) make payments under this title only with respect to—

(A) households in which 1 or more individuals are receiving—

(i) aid to families with dependent children under the State's plan approved under part A of title IV of the

[1] Subsection (e) was repealed October 12, 1984, by P.L. 98-558, Sec. 603(c), ——— Stat. ———.

Social Security Act (other than such aid in the form of foster care in accordance with section 408 of such Act);

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that no household may be excluded from eligibility under this subclause for payments under this title for fiscal year 1986 and thereafter if the household has an income which is less than 110 percent of the poverty level for such State for such fiscal year;

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or handicapped individuals, or both, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a manner consistent with the efficient and timely payment of benefits, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clause (2)(A) and (2)(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance

program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to—

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) assure that any home energy supplier receiving direct payments agrees not to discriminate, either in the cost of the goods supplied or the services provided, against the eligible household on whose behalf payments are made;

(8) provide assurances that (A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and (B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that—

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year and not transferred pursuant to section 2604(f) for use under another block grant; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining costs;

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that at

least every two years the State shall prepare an audit of its expenditures of amounts received under this title and amounts transferred to carry out the purposes of this title;

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness;

(14) describe the procedures by which households in the State are identified as eligible to participate under this title and the manner in which the State determines benefit levels;

(15) describe the amount that the State will reserve in accordance with section 2604(c) in each fiscal year for energy crisis intervention activities together with the administrative procedures (A) for designating an emergency, (B) for determining the assistance to be provided in any such emergency, and (C) for the use of funds reserved under such section for the purposes under this title in the event any portion of the amount so reserved is not expended for emergencies.

(16) describe energy usage and the average cost of home energy in the State, identified by type of fuel and by region of the State; and

(17) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection. The Secretary shall issue regulations to prevent waste, fraud, and abuse in the programs assisted by this title.

(c)(1) As part of the annual application required in subsection (a), the chief executive officer of each State shall prepare and furnish to the Secretary, in such format as the Secretary may require, a plan which—

(A) describes how the State will carry out the assurances required under subsection (b);

(B) contains estimates of the amount of funds the State will use for each of the programs under such plan;

(C) describes the eligibility requirements to be used by the State for each type of assistance to be provided under this title;

(D) describes weatherization and other energy-related home repair the State will provide under subsection (k); and

(E) contains any other information determined by the Secretary to be appropriate for purposes of this title.

The chief executive officer may revise any plan prepared under this paragraph and shall furnish the revised plan to the Secretary.

(2) Each plan prepared under paragraph (1) and each substantial revision thereof shall be made available for public inspection within the State involved in such a manner as will facilitate review of, and comment upon, such plan or substantial revision.

(d) The State shall expend funds in accordance with the State plan under this title or in accordance with revisions applicable to such plan.

(e) Each State shall, in carrying out the requirements of subsection (b)(10), obtain financial and compliance audits of any funds which the State receives under this title. Such audits shall be made public within the State on a timely basis. The audits shall be conducted at least every two years by an organization or person independent of any agency administering activities under this title. The audits shall be conducted in accordance with the Comptroller General's standards for audit of governmental organizations, programs, activities, and functions. Within 30 days after completion of each audit, the chief executive officer of the State shall submit a copy of the audit to the legislature of the State and to the Secretary.

(f) Notwithstanding any other provision of law unless enacted in express limitation of this paragraph, the amount of any home energy assistance payments or allowances provided to an eligible household under this title shall not be considered income or resources of such household (or any member thereof) for any purpose under any Federal or State law, including any law relating to taxation, food stamps, public assistance, or welfare programs.

(g) The State shall repay to the United States amounts found not to have been expended in accordance with this title or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this title.

(h) The Comptroller General of the United States shall, from time to time (but not less frequently than every three years), evaluate the expenditures by States of grants under this title in order to assure that expenditures are consistent with the provisions of this title and to determine the effectiveness of the State in accomplishing the purposes of this title.

(i) A household which is described in subsection (b)(2)(A) solely by reason of clause (ii) thereof shall not be treated as a household described in subsection (b)(2) if the eligibility of the household is dependent upon—

(1) an individual whose annual supplemental security income benefit rate is reduced pursuant to section 1611(e)(1) of the Social Security Act by reason of being in an institution receiving payments under title XIX of the Social Security Act with respect to such individual;

(2) an individual to whom the reduction specified in section 1612(a)(2)(A)(i) of the Social Security Act applies; or

(3) a child described in section 1614(f)(2) of the Social Security Act who is living together with a parent, or the spouse of a parent, of the child.

(j) In verifying income eligibility for purposes of subsection (b)(2)(B), the State may apply procedures and policies consistent with procedures and policies used by the State agency administering programs under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under subtitle B of title VI of this Act (relating to community services block grant program), under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act, or under other income assistance or service programs (as determined by the State).

(k) Not more than 15 percent of the greater of—

(1) the funds allotted to a State under this title for any fiscal year; or

(2) the funds available to such State under this title for such fiscal year;

may be used by the State for low-cost residential weatherization or other energy-related home repair for low-income households.

(l)(1) Any State may use amounts provided under this title for the purpose of providing credits against State tax to energy suppliers who supply home energy at reduced rates to low-income households.

(2) Any such credit provided by a State shall not exceed the amount of the loss of revenue to such supplier on account of such reduced rate.

(3) Any certification for such tax credits shall be made by the State, but such State may use Federal data available to such State with respect to recipients of supplemental security income benefits if timely delivery of benefits to households described in subsection (b) and suppliers will not be impeded by the use of such data.

(42 U.S.C. 8624) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 896; amended October 30, 1984, P.L. 98-558, sec. 605, 98 Stat. 2891.

NONDISCRIMINATION PROVISIONS

SEC. 2606. (a) No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this title. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 also shall apply to any such program or activity.

(b) Whenever the Secretary determines that a State that has received a payment under this title has failed to comply with subsection (a) or an applicable regulation, he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable; or (3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that the State is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

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[1] Section 609(b), P.L. 98-558 reads:

"(b) The amendments made by section 605 shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act.".

(42 U.S.C. 8625) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 900.

PAYMENTS TO STATES

SEC. 2607. (a) From its allotment under section 2604, the Secretary shall make payments to each State in accordance with section 203 of the Intergovernmental Cooperation Act of 1968, for use under this title.

(b)(1) If—

(A) the Secretary determines that, as of September 1 of any fiscal year, an amount allotted to a State under section 2604 for any fiscal year will not be used by such State during such fiscal year;

(B) the Secretary—

(i) notifies the chief executive officer of such State; and

(ii) publishes a timely notice in the Federal Register;

that, after the 30-day period beginning on the date of the notice to such chief executive officer, such amount may be reallotted; and

(C) the State does not request, under paragraph (2), that such amount be held available for such State for the following fiscal year;

then such amount shall be treated by the Secretary for purposes of this title as an amount appropriated for the following fiscal year to be allotted under section 2604 for such following fiscal year.

(2)(A) Any State may request that an amount allotted to such State for a fiscal year be held available for such State for the following fiscal year. Such request shall include a statement of the reasons that the amount allotted to such State for a fiscal year will not be used by such State during such fiscal year and a description of the types of assistance to be provided with the amount held available for the following fiscal year. Any amount so held available for the following fiscal year shall not be taken into account in computing the allotment of or the amount payable to such State for such fiscal year under this title.

(B) No amount may be held available under this paragraph for a State from a prior fiscal year to the extent such amount exceeds 15 percent of the amount payable to such State for such prior fiscal year and not transferred pursuant to section 2604(f). For purposes of the preceding sentence, the amount payable to a State but not transferred by the State for a fiscal year shall be determined without regard to any amount held available under this paragraph for such State for such fiscal year from the prior fiscal year.

(C) The Secretary shall reallot amounts made available under this paragraph for the fiscal year following the fiscal year of the original allotment in accordance with paragraph (1) of this subsection.

(3) During the 30-day period described in paragraph (1)(B), comments may be submitted to the Secretary. After considering such comments, the Secretary shall notify the chief executive officer of the State of any decision to reallot funds, and shall publish such decision in the Federal Register.

(42 U.S.C. 8626) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 900; amended October 30, 1984, P.L. 98-558, sec. 606, 98 Stat. 2892.

WITHHOLDING

SEC. 2608. (a)(1) The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State which does not utilize its allotment substantially in accordance with the provisions of this title and the assurances such State provided under section 2605.

(2) The Secretary shall respond in an expeditious and speedy manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the provisions of this title or the assurances provided by the State under section 2605. For purposes of this paragraph, a violation of any one of the assurances contained in section 2605(b) that constitutes a disregard of such assurance shall be considered a serious complaint.

(b)(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this title in order to evaluate compliance with the provisions of this title.

(2) Whenever the Secretary determines that there is a pattern of complaints from any State in any fiscal year, the Secretary shall conduct an investigation of the use of funds received under this title by such State in order to ensure compliance with the provisions of this title.

(3) The Comptroller General of the United States may conduct an investigation of the use of funds received under this title by a State in order to ensure compliance with the provisions of this title.

(c) Pursuant to an investigation conducted under subsection (b), a State shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

(d) In conducting any investigation under subsection (b), the Secretary may not request any information not readily available to such State or require that any information be compiled, collected, or transmitted in any new form not already available.

(42 U.S.C. 8627) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 901; amended October 30, 1984, P.L. 98-558, sec. 608, 98 Stat. 2893.

LIMITATION ON USE OF GRANTS FOR CONSTRUCTION

SEC. 2609. Grants made under this title may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this title, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

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[1] Section 609(c) of P.L. 98-558 reads:
"(c) The amendments made by section 606 shall apply to amounts held available for fiscal years beginning after September 30, 1985.".

(42 U.S.C. 8628) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 902.

STUDIES

SEC. 2610. (a) The Secretary, after consultation with the Secretary of Energy, shall provide for the collection of data, including—

(1) information concerning home energy consumption;

(2) the amount, cost and type of fuels used; for households eligible for assistance under this title[1]

(3) the type of fuel used by various income groups;

(4) the number and income levels of households assisted by this title;

(5) the number of households which received such assistance and include one or more individuals who are 60 years or older or handicapped; and

(6) any other information which the Secretary determines to be reasonably necessary to carry out the provisions of this title.

Nothing in this subsection may be construed to require the Secretary to collect data which has been collected and made available to the Secretary by any other agency of the Federal Government.

(b) The Secretary shall, no later than June 30 of each fiscal year, submit a report to the Congress containing a detailed compilation of the data under subsection (a) with respect to the prior fiscal year.

(42 U.S.C. 8629) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 902; amended October 30, 1984, P.L. 98-558, sec. 607, 98 Stat. 2893.[2]

REPEALER

SEC. 2611. Effective October 1, 1981, the Home Energy Assistance Act of 1980 is repealed.

(42 U.S.C. 8601 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 902.

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[1] So in original; this language should appear before the semicolon.

[2] Section 609(d) of P.L. 98-558 reads:

"(d) The amendment made by section 607 shall apply to data collected and compiled after the date of the enactment of this Act. Section 2610 of the Act as in effect before the date of the enactment of this Act shall apply with respect to the report submitted under such section 2610 for fiscal year 1984.".

ECONOMIC OPPORTUNITY ACT OF 1964 [1]

[Public Law 88-452; August 20, 1964 (78 Stat. 508)]

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TITLE VIII—NATIVE AMERICAN PROGRAMS

SHORT TITLE

SEC. 801. This title may be cited as the "Native American Programs Act of 1974".

(42 U.S.C. 2991) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2324.

STATEMENT OF PURPOSE

SEC. 802. The purpose of this title is to promote the goal of economic and social self-sufficiency for American Indians, Hawaiian Natives and Alaskan Natives.

(42 U.S.C. 2991a) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2324.

FINANCIAL ASSISTANCE FOR NATIVE AMERICAN PROJECTS

SEC. 803. (a) The Secretary is authorized to provide financial assistance to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaskan Native villages and regional corporations established by the Alaska Native Claims Settlement Act, and such public and nonprofit private agencies serving Hawaiian Natives, and Indian organizations in urban or rural nonreservation areas, for projects pertaining to the purposes of this title. In determining the projects to be assisted under this title, the Secretary shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible. Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Secretary shall ensure that each project to be assisted under this title is consistent with the priorities established by the agency which receives such assistance.

(b) Financial assistance extended to an agency under this title shall not exceed 80 per centum of the approved costs of the assisted project, except that the Secretary may approve assistance in excess

[1] Section 683(a) of P.L. 97-35 repeals all of this Act except title VIII and title X. Thus, the short title of the Act is repealed.

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of such percentage if the Secretary determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. The Secretary shall not require non-Federal contributions in excess of 20 per centum of the approved costs of programs or activities assisted under this title.

(c)(1) No project shall be approved for assistance under this title unless the Secretary is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Secretary may waive this requirement in any case in which the Secretary determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of this title.

(2) No project may be disapproved for assistance under this title solely because the agency requesting such assistance is an Indian organization in a nonreservation area or serves Indians in a nonreservation area.

(42 U.S.C. 2991b) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2324; amended November 2, 1978, P.L. 95-568, sec. 17(a)(39), 92 Stat. 2443; amended October 30, 1984, P.L. 98-558, sec. 1002, 98 Stat. 2905.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 804. The Secretary may provide, directly or through other arrangements, (1) technical assistance to public and private agencies in developing, conducting, and administering projects under this title, and (2) short-term in-service training for specialized or other personnel which is needed in connection with projects receiving financial assistance under this title.

(42 U.S.C. 2991c) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2324.

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

SEC. 805. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this title.

(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives.

(42 U.S.C. 2991d) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2324.

ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, OR PILOT PROJECTS

SEC. 806. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency for a research, demonstration, or pilot project; and

(2) except in cases in which the Secretary determines that it would not be consistent with the purposes of this title, the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of making such grants or contracts, and the public announcements required by subsection (b) of this section shall be made within thirty days of the receipt of such results.

(42 U.S.C. 2991e) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2325.

SUBMISSION OF PLANS TO STATE AND LOCAL OFFICIALS

SEC. 807. (a) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out on or in an Indian reservation or Alaskan Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

(b) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a State other than on or in an Indian reservation or Alaskan Native village or Hawaiian Homestead, unless the Secretary has notified the chief executive officer of the State of the decision of the Secretary to provide that assistance.

(c) No financial assistance may be provided to any project under section 803 of this title or any research, demonstration, or pilot project under section 805 of this title, which is to be carried out in a city, county, or other major political subdivision of a State, other than on or in an Indian reservation or Alaskan Native village, or Hawaiian Homestead, unless the Secretary has notified the local governing officials of the political subdivision of the decision of the Secretary to provide that assistance.

(42 U.S.C. 2991f) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2325; amended November 2, 1978, P.L. 95-568, sec. 17(a)(40), 92 Stat. 2443.

RECORDS AND AUDITS

SEC. 808. (a) Each agency which receives financial assistance under this title shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, docu-

ments, papers, and records of any agency which receives financial assistance under this title that are pertinent to the financial assistance received under this title.

(42 U.S.C. 2991g) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2325.

APPEALS, NOTICE, AND HEARING

SEC. 809. The Secretary shall prescribe procedures to assure that—

(1) financial assistance under this title shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under this title shall not be terminated, and application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

(42 U.S.C. 2991h) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2326.

EVALUATION

SEC. 810. (a) The Secretary shall provide, directly or through grants or contracts, for the evaluation of projects assisted under this title, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such projects. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated.

(b) Prior to obligating funds for the programs and projects covered by this title with respect to fiscal year 1976, the Secretary shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this title. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this title.

(c) In carrying out evaluations under this title, the Secretary may require agencies which receive assistance under this title to provide for independent evaluations.

(d) In carrying out evaluations under this title, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this title about such programs and projects.

(e) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(f) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this title shall become the property of the United States.

(42 U.S.C. 2992) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2326.

LABOR STANDARDS

SEC. 811. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this title, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 2 of the Act of June 1, 1934.

(42 U.S.C. 2992a) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2326.

ADMINISTRATION; DELEGATION OF AUTHORITY

SEC. 812. (a)(1) The general administration of the programs authorized by this Act shall remain within the Department of Health and Human Services and, notwithstanding any authority under any other law, may not be transferred outside of such Department.

(2) The Secretary shall continue to administer grants under section 803 through the Administration for Native Americans. The Commissioner of such Administration may not delegate outside of the Administration the functions, powers, and duties of the Commissioner to carry out such section.

(b)(1) Except as provided in subsection (a)(2), the Secretary may delegate only to the heads of agencies within the Department of Health and Human Services any of the functions, powers, and duties of the Secretary under this title and may authorize the redelegation only within such Department of such functions, powers, and duties by the heads of such agencies.

(2) Funds appropriated to carry out this title, other than section 803, may be transferred between such agencies if such funds are used for the purposes for which they are authorized and appropriated.

(c) Nothing in this section shall be construed to prohibit interagency funding agreements made between the Administration for Native Americans and other agencies of the Federal Government for the development and implementation of specific grants or projects.

(42 U.S.C. 2992b) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2327; amended November 2, 1978, P.L. 95-568, sec. 17(a)(41), 92 Stat. 2443; amended October 30, 1984, P.L. 98-558, sec. 1003, 98 Stat. 2905.

DEFINITIONS

SEC. 813. As used in this title, the term—

(1) "financial assistance" includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(2) "Indian reservation or Alaskan Native village" includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, any community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaskan Native village or group, including any lands selected by Alaskan Natives or Alaskan Natives organizations under the Alaska Native Claims Settlement Act;

(3) "Native Hawaiian" means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778; and

(4) "Secretary" means the Secretary of Health and Human Services.

(42 U.S.C. 2992c) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2327; amended October 30, 1984, P.L. 98-558, sec. 1004, 98 Stat. 2906.

AUTHORIZATION OF APPROPRIATIONS

SEC. 814. (a) There are authorized to be appropriated for the purpose of carrying out the provisions of this title, such sums as may be necessary for fiscal years 1979 through 1986.

(b) Not less than 90 per centum of the funds made available to carry out the provisions of this title for a fiscal year shall be expended to carry out section 803(a) for such fiscal year.

(42 U.S.C. 2992d) As added January 4, 1975, P.L. 93-644, sec. 11, 88 Stat. 2327; amended November 2, 1978, P.L. 95-568, sec. 15, 92 Stat. 2439; amended October 30, 1984, P.L. 98-558, sec. 1005, 98 Stat. 2906.

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OMNIBUS BUDGET RECONCILIATION ACT OF 1981

[Public Law 97-35, August 13, 1981 (95 Stat. 357)]

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TITLE VI—HUMAN SERVICES PROGRAMS

SUBTITLE A—AUTHORIZATIONS SAVINGS FOR FISCAL YEARS 1982, 1983, AND 1984

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CHAPTER 8—COMMUNITY SERVICES PROGRAMS

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Subchapter B—Head Start Programs

SHORT TITLE

SEC. 635. This subchapter may be cited as the "Head Start Act".

(42 U.S.C. 9801 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 499.

STATEMENT OF PURPOSE AND POLICY

SEC. 636. (a) In recognition of the role which Project Head Start has played in the effective delivery of comprehensive health, educational, nutritional, social, and other services to economically disadvantaged children and their families, it is the purpose of this subchapter to extend the authority for the appropriation of funds for such program.

(b) In carrying out the provisions of this subchapter, the Secretary of Health and Human Services shall continue the administrative arrangement responsible for meeting the needs of migrant and Indian children and shall assure that appropriate funding is provided to meet such needs.

(42 U.S.C. 9831 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 499.

DEFINITIONS

SEC. 637. For purposes of this subchapter:

(1) The term "Secretary" means the Secretary of Health and Human Services.

(2) The Term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(3) The term "financial assistance" includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimburse-

ment with necessary adjustments on account of overpayments or underpayments.

(42 U.S.C. 9832 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 499; amended October 30, 1984, P.L. 98-558, sec. 101, 98 Stat. 2878.

FINANCIAL ASSISTANCE FOR HEAD START PROGRAMS

SEC. 638. The Secretary may, upon application by an agency which is eligible for designation as a Head Start agency pursuant to section 641, provide financial assistance to such agency for the planning, conduct, administration, and evaluation of a Head Start program focused primarily upon the children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, nutritional, educational, social, and other services as will aid the children to attain their full potential; and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

(42 U.S.C. 9833) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 499.

AUTHORIZATION OF APPROPRIATIONS

SEC. 639. There are authorized to be appropriated for carrying out the provisions of this subchapter $1,093,030,000 for fiscal year 1985, and $1,221,000,000 for fiscal year 1986.

(42 U.S.C. 9834) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 499; amended October 30, 1984, P.L. 98-558, sec. 102, 98 Stat. 2878.

ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 640. (a)(1) Of the sums appropriated pursuant to section 639 for any fiscal year beginning after September 30, 1981, the Secretary shall allot such sums in accordance with paragraphs (2) and (3).

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities--

(A) Indian and migrant Head Start programs and services for handicapped children, except that--

(i) there shall be made available for use by Indian and migrant Head Start programs, on a nationwide basis, no less funds for fiscal year 1982 and each subsequent fiscal year than were obligated for use by Indian and migrant Head Start programs for fiscal year 1981; and

(ii) cost-of-living adjustments shall be made with respect to such Indian and migrant Head Start programs for fiscal year 1982 and each subsequent fiscal year, and such adjustments shall, at the minimum, reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor;

(B) payments to Guam, American Samoa, the Trust Territory of the Pacific Islands, the Northern Mariana Islands, and the Virgin Islands according to their respective needs, except that such amount shall not exceed one-half of 1 percent of the sums appropriated for any fiscal year;

(C) training and technical assistance activities which are sufficient to meet the needs associated with program expansion and to foster program and management improvement activities as described in section 648 of this subchapter, in an amount for each fiscal year which is not less than the amount expended for training and technical assistance activities under this clause for fiscal year 1982; and

(D) discretionary payments made by the Secretary.

The minimum reservation contained in clause (C) of this paragraph shall not apply in any fiscal year in which the appropriation for the program authorized by this subchapter is less than the amount appropriated for fiscal year 1984. No funds reserved under this paragraph may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter.

(3) The Secretary shall allot the remaining 87 percent of the amounts appropriated in each fiscal year among the States, in accordance with latest satisfactory data so that—

(A) each State receives an amount which is equal to the amount the State received for fiscal year 1981; and

(B)(i) 33⅓ percent of any amount available after all allotments have been made under clause (A) for such fiscal year shall be distributed on the basis of the relative number of children from birth through 18 years of age, on whose behalf payments are made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act in each State as compared to all States; and

(ii) 66⅔ percent of such amount shall be distributed on the basis of the relative number of children from birth through 5 years of age living with families with incomes below the poverty line in each State as compared to all States.

(4) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

(b) Financial assistance extended under this subchapter for a Head Start program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this subchapter. Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

(c) No programs shall be approved for assistance under this subchapter unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal

assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may prescribe.

(d) The Secretary shall establish policies and procedures designed to assure that for fiscal year 1982 and thereafter no less than 10 percent of the total number of enrollment opportunities in Head Start programs in each State shall be available for handicapped children (as defined in paragraph (1) of section 602 of the Education of the Handicapped Act) and that services shall be provided to meet their special needs. The Secretary shall report to the Congress at least annually on the status of handicapped children in Head Start programs, including the number of children being served, their handicapping conditions, and the services being provided such children.

(e) The Secretary shall adopt approximate administrative measures to assure that the benefits of this subchapter will be distributed equitably between residents of rural and urban areas.

(20 U.S.C. 3192) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 500; amended October 30, 1984, P.L. 98-558, sec. 103, 98 Stat. 2878.

DESIGNATION OF HEAD START AGENCIES

SEC. 641. (a) The Secretary is authorized to designate as a Head Start agency any local public or private nonprofit agency, within a community, which (1) has the power and authority to carry out the purposes of this subchapter and perform the functions set forth in section 642 within a community; and (2) is determined by the Secretary to be capable of planning, conducting, administering, and evaluating, either directly or by other arrangements, a Head Start program.

(b) For purposes of this subchapter, a community may be a city, county, or multicity or multicounty unit within a State, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed to operate a Head Start program.

(c) In the administration of the provisions of this section, the Secretary shall give priority in the designation of Head Start agencies to any local public or private nonprofit agency which is receiving funds under any Head Start program on the date of the enactment of this Act unless—

(1) the Secretary makes a finding that the agency involved fails to meet program and fiscal requirements established by the Secretary; and

(2) except that if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the Secretary shall give priority in the designation of Head Start agencies to any successor agency which is operated in substantially the same manner as the predessor agency which did receive funds in the fiscal year preceding the fiscal year for which the determination is made.

The provisions of clause (2) shall apply only to agencies actually operating Head Start programs.

(d) If there is no Head Start agency as described in subsection (c)(2), and no existing Head Start program serving a community,

then the Secretary may designate a Head Start agency from among qualified applicants in such community. Any such designation shall be governed by the program and fiscal requirements, criteria, and standards applicable on September 1, 1983, to then existing Head Start agencies.

(e) The provisions of subsections (c) and (d) shall be applied by the Secretary in the distribution of any additional appropriations made available under this subchapter during any fiscal year as well as to initial designations of Head Start agencies.

(f) The Secretary shall require that the practice of significantly involving parents and area residents affected by the program in selection of Head Start agencies be continued.

(42 U.S.C. 9836) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 501; amended October 30, 1984, P.L. 98-558, sec. 104, 98 Stat. 2878.

POWERS AND FUNCTIONS OF HEAD START AGENCIES

SEC. 642. (a) In order to be designated as a Head Start agency under this subchapter, an agency must have authority under its charter or applicable law to receive and administer funds under this subchapter, funds and contributions from private or local public sources which may be used in support of a Head Start program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this subchapter, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Head Start program. Such an agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. The power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

(b) In order to be so designated, a Head Start agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests; (2) provide for their regular participation in the implementation of such programs; (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources; and (4) establish procedures to seek reimbursement, to the extent feasible, from other agencies for services for which any such other agency is responsible, which are provided to a Head Start participant by the Head Start agency.

(c) The head of each Head Start agency shall coordinate with other programs serving the children in the Head Start agency to carry out the provisions of this subsection.

(42 U.S.C. 9837) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 502.

SUBMISSION OF PLANS TO GOVERNORS

SEC. 643. In carrying out the provisions of this subchapter, no contract, agreement, grant, or other assistance shall be made for

the purpose of carrying out a Head Start program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within 30 days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by the Secretary to be fully consistent with the provisions and in furtherance of the purposes of this subchapter. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the enactment of this Act.

(42 U.S.C. 9838) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 502.

ADMINISTRATIVE REQUIREMENTS AND STANDARDS

SEC. 644. (a) Each Head Start agency shall observe standards of organization, management, and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this subchapter and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to (1) establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; (2) assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; (3) guard against personal or financial conflicts of interest; (4) define employee duties in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

(b) No financial assistance shall be extended under this subchapter in any case in which the Secretary determines that the costs of developing and administering a program assisted under this subchapter exceed 15 percent of the total costs, including non-Federal contributions to such costs, of such program. The Secretary shall establish by regulation, criteria for determining (1) the costs of developing and administering such program; and (2) the total costs of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 percent

of such total costs but is, in the judgment of the Secretary, excessive, the Secretary shall forthwith require the recipient of such financial assistance to take such steps prescribed by the Secretary as will eliminate such excessive administrative cost, including the sharing by one or more Head Start agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this subsection for specific periods of time not to exceed 12 months whenever the Secretary determines that such a waiver is necessary in order to carry out the purposes of this subchapter.

(c) The Secretary shall prescribe rules or regulations to supplement subsection (a), which shall be binding on all agencies carrying on Head Start program activities with financial assistance under this subchapter. The Secretary may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. Policies and procedures shall be established to ensure that indirect costs attributable to the common or joint use of facilities and services by programs assisted under this subchapter and other programs shall be fairly allocated among the various programs which utilize such facilities and services.

(d) At least 30 days prior to their effective date, all rules, regulations, guidelines, instructions, and application forms shall be published in the Federal register and shall be sent to each grantee with the notification that each such grantee has the right to submit comments pertaining thereto to the Secretary prior to the final adoption thereof.

(42 U.S.C. 9839) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 502.

PARTICIPATION IN HEAD START PROGRAMS

SEC. 645. (a)(1) The Secretary shall by regulation prescribe eligibility for the participation of persons in Head Start programs assisted under this subchapter. Except as provided in paragraph (2), such criteria may provide (A) that children from low-income families shall be eligible for participation in programs assisted under this subchapter if their families' incomes are below the poverty line, or if their families are eligible or, in the absence of child care, would potentially be eligible for public assistance; and (B) pursuant to such regulations as the Secretary shall prescribe, that programs assisted under this subchapter may include, to a reasonable extent, participation of children in the area served who would benefit from such programs but whose families do not meet the low-income criteria prescribed pursuant to clause (A).

(2) Whenever a Head Start program is operated in a community with a population of 1,000 or less individuals and—

(A) there is no other preschool program in the community;

(B) the community is located in a medically underserved area, as designated by the Secretary pursuant to section 330(b)(3) of the Public Health Service Act and is located in a health manpower shortage area, as designated by the Secretary pursuant to section 332(a)(1) of such Act;

(C) the community is in a location which, by reason of remoteness, does not permit reasonable access to the types of services described in clauses (A) and (B); and

(D) not less than 50 percent of the families to be served in the community are eligible under the eligibility criteria established by the Secretary under paragraph (1);

the Head Start program in each such locality shall establish the criteria for eligibility, except that no child residing in such community whose family is eligible under such eligibility criteria shall, by virtue of such project's eligibility criteria, be denied an opportunity to participate in such program. During the period beginning on the date of the enactment of the Human Services Reauthorization Act and ending on October 1, 1986, and unless specifically authorized in any statute of the United States enacted after such date of enactment, the Secretary may not make any change in the method, as in effect on April 25, 1984, of calculating income used to prescribe eligibility for the participation of persons in the Head Start programs assisted under this subchapter if such change would result in any reduction in, or exclusion from, participation of persons in any of such programs.

(b) The Secretary shall not prescribe any fee schedule or otherwise provide for the charging of any fees for participation in Head Start programs, unless such fees are authorized by legislation hereafter enacted. Nothing in this subsection shall be construed to prevent the families of children who participate in Head Start programs and who are willing and able to pay the full cost of such participation from doing so.

(c) Each Head Start program operated in a community may provide more than one year of Head Start services to children from age 3 to the age of compulsory school attendance in the State in which the Head Start program is located.

(42 U.S.C. 9839) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 504; amended October 30, 1984, P.L. 98-558, sec. 105, 98 Stat. 2879.

APPEALS, NOTICE, AND HEARING

SEC. 646. The Secretary shall prescribe procedures to assure that—

(1) special notice of and an opportunity for a timely and expeditious appeal to the Secretary will be provided for an agency or organization which desires to serve as a delegate agency under this subchapter and whose application to the Head Start agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Secretary, in accordance with regulations which the Secretary shall prescribe;

(2) financial assistance under this subchapter shall not be suspended, except in emergency situations, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(3) financial assistance under this subchapter shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than 30 days, unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

(42 U.S.C. 9841) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 504.

RECORDS AND AUDITS

SEC. 647. (a) Each recipient of financial assistance under this subchapter shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such financial assistance, the total cost of the project or undertaking in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under this subchapter.

(42 U.S.C. 9842) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 505.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 648. The Secretary shall provide, directly or through grants or other arrangements (1) technical assistance to communities in developing, conducting, and administering programs under this subchapter; and (2) training for specialized or other personnel needed in connection with Head Start programs, including a centralized child development training and national assessment program which may be administered at the State or local level leading to recognized credentials for such personnel, and resource access projects for personnel of handicapped children.

(42 U.S.C. 9843) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 505; amended October 30, 1984, P.L. 98-558, sec. 106, 98 Stat. 2879.

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

SEC. 649. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this subchapter.

(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, or pilot projects and the use of all research authority under this subchapter. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.

(c) No funds appropriated under this subchapter may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this title.

(42 U.S.C. 9844) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 505; amended October 30, 1984, P.L. 98-558, sec. 107, 98 Stat. 2880.

ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECTS CONTRACTS

SEC. 650. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this subchapter; and

(2) the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a)(1) shall be made within 30 days of making such grants or contracts, and the public announcements required by subsection (a)(2) shall be made within 90 days of the receipt of such results.

(c) The Secretary shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under this subchapter shall become the property of the United States.

(d) The Secretary shall publish summaries of the results of activities carried out pursuant to this subchapter not later than 90 days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such summaries.

(42 U.S.C. 9845) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 505.

EVALUATION

SEC. 651. (a) The Secretary shall provide, directly or through grants or contracts, for the continuing evaluation of programs under this subchapter, including evaluations that measure and evaluate the impact of programs authorized by this subchapter, in order to determine their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not directly involved in the administration of the program or project operation.

(b) The Secretary shall operate the programs and projects covered by this subchapter in accordance with Head Start performance standards. Any revisions in such standards shall not result in the elimination of nor any reduction in the scope or types of health, education, parental involvement, social or other services required to be provided under the standards in effect on November 2, 1978. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this subchapter.

(c)(1) In carrying out evaluations under this subchapter, the Secretary shall establish working relationships with the faculties of colleges or universities located in the area in which any such evaluation is being conducted, unless there is no such college or university willing and able to participate in the evaluation. For purposes of the preceding sentence, for any single evaluation areas in which

such working relationships are established may not be larger than 3 contiguous States.

(2) In carrying out evaluations under this subchapter, the Secretary may require Head Start agencies to provide for independent evaluations.

(d) In carrying out evaluations under this subchapter, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this subchapter about such programs and projects.

(e) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than 90 days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(f) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this subchapter shall become the property of the United States.

(42 U.S.C. 9846) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 506; amended October 30, 1984, P.L. 98-558, sec. 108, 98 Stat. 2880.

POVERTY LINE

SEC. 652. (a) The Secretary shall revise annually (or at any shorter interval the Secretary deems feasible and desirable) a poverty line which, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.

(b) The revision required by subsection (a) shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

(c) Revisions required by subsection (a) shall be made and issued not more than 30 days after the date on which the necessary Consumer Price Index data become available.

(42 U.S.C. 9847) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 506.

COMPARABILITY OF WAGES

SEC. 653. The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this subchapter shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher; or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

(42 U.S.C. 9848) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 507.

NONDISCRIMINATION PROVISIONS

SEC. 654. (a) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this subchapter. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this subchapter.

(c) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract relating to the financial assistance specifically provides that no person with responsibilities in the operation of the program, project, or activity will discriminate against any individual because of a handicapping condition in violation of section 504 of the Rehabilitation Act of 1973.

(42 U.S.C. 9849) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 507.

LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

SEC. 655. No individual employed or assigned by any Head Start agency or other agency assisted under this subchapter shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this subchapter by such Head Start agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

(42 U.S.C. 9850) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 508.

POLITICAL ACTIVITIES

SEC. 656. (a) For purposes of chapter 15 of title 5, United States Code, any agency which assumes responsibility for planning, developing, and coordinating Head Start programs and receives assistance under this subchapter shall be deemed to be a State or local agency. For purposes of clauses (1) and (2) of section 150(a) of such title, any agency receiving assistance under this subchapter shall be deemed to be a State or local agency.

(b) Programs assisted under this subchapter shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such pro-

grams with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office; (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or (3) any voter registration activity. The Secretary, after consultation with the Office of Personnel Management, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

(42 U.S.C. 9851) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 508.

ADVANCE FUNDING

SEC. 657. For the purpose of affording adequate notice of funding available under this subchapter, appropriations for carrying out this subchapter are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(42 U.S.C. 9852) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 508.

Subchapter C—Follow Through Programs

SHORT TITLE

SEC. 661. This subchapter may be cited as the "Follow Through Act".

(42 U.S.C. 9801 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 508.

FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS

SEC. 662. (a) The Secretary of Education (hereinafter in this subchapter referred to as the "Secretary") is authorized to provide financial assistance in the form of grants to local educational agencies, combinations of such agencies, and, as provided in subsection (b), any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out Follow Through programs focused primarily on children from low-income families in kindergarten and primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Head Start or similar programs. Other children in kindergarten and primary grades, including such other children enrolled in private nonprofit elementary schools, who were previously enrolled in preschool programs of a compensatory nature which received Federal financial assistance may participate in such Follow Through programs.

(b) Whenever the Secretary determines—

(1) that a local educational agency receiving assistance under subsection (a) is unable or unwilling to include in a Follow Through program children enrolled in nonprofit private schools who would otherwise be eligible to participate therein; or

(2) that it is otherwise necessary in order to accomplish the purposes of this section;

the Secretary may provide financial assistance for the purpose of carrying out a Follow Through program to any other public or appropriate nonprofit private agency, organization, or institution.

(c) Programs to be assisted under this section shall provide such comprehensive educational, health, nutritional, social, and other services as will aid in the continued development of children described in subsection (a) to their full potential. Such projects shall provide for the direct participation of the parents of such children in the deveiopment, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the project of children who are not from low-income families will serve to carry out the purposes of this section, the Secretary may provide for the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in subsection (a).

(42 U.S.C. 9861) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 508.

AUTHORIZATION OF APPROPRIATIONS

SEC. 663. (a)(1) There is authorized to be appropriated for carrying out the purposes of this subchapter $10,000,000 for the fiscal year 1985 and $7,500,000 for the fiscal year 1986.

(2) Funds appropriated under this section for fiscal years 1982 and 1983 shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

(b) Financial assistance extended under this subchapter for a Follow Through program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this subchapter. Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

(c) No project shall be approved for assistance under this subchapter unless the Secretary is satisfied that the services to be provided under such project will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.

(42 U.S.C. 9862) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 509; amended October 30, 1984, P.L. 98-558, sec. 301, 98 Stat. 2887.

RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

SEC. 664. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public and private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or in otherwise furthering the purposes of this subchapter.

(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, or pilot projects and the use of all research authority under this subchapter. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.

(42 U.S.C. 9863) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 509.

ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, AND PILOT PROJECT CONTRACTS

SEC. 665. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, demonstration, or pilot project under this subchapter; and

(2) the results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a)(1) shall be made not later than 30 days after making such grants or contracts, and the public announcements required by subsection (a)(2) shall be made not later than 90 days after the receipt of such results.

(c) The Secretary shall take necessary action to assure that all studies, proposals, and data produced or developed with Federal funds employed under this subchapter shall become the property of the United States.

(d) The Secretary shall publish summaries of the results of activities carried out pursuant to this subchapter not later than 90 days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such summaries.

(42 U.S.C. 9864) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 510.

EVALUATION

SEC. 666. (a) The Secretary shall provide, directly or through grants or contracts, for the continuing evaluation of programs under this subchapter, including evaluations that measure and evaluate the impact of programs authorized by this subchapter, in order to determine their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanism for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not directly involved in the administration of the program or project.

(b) The Secretary shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this subchapter. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this subchapter.

(c) In carrying out evaluations under this subchapter, the Secretary shall, whenever feasible, arrange to obtain the specific views

of persons participating in and served by programs and projects assisted under this subchapter about such programs and projects.

(d) The Secretary shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than 90 days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(e) The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this section become the property of the United States.

(42 U.S.C. 9865) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 510.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 667. The Secretary may provide, directly or through grants or other appropriate arrangements (1) technical assistance to Follow Through programs in developing, conducting, and administering programs under this subchapter; and (2) training for specialized or other personnel which is needed in connection with Follow Through programs.

(42 U.S.C. 9866) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511.

SPECIAL CONDITIONS

SEC. 668. (a) Recipients of financial assistance under this subchapter shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in projects assisted under this subchapter.

(b) Financial assistance under this subchapter shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken.

(c) Financial assistance under this subchapter shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

(42 U.S.C. 9867) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511.

APPLICABILITY OF PROVISIONS OF SUBCHAPTER B

SEC. 669. The provisions of sections 637 (other than section 637(1)), 653, 654, 655, 656, and 657 shall apply to the administration of this subchapter.

(42 U.S.C. 9868) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511.

REPEALER

SEC. 670. Effective October 1, 1986, the provisions of this subchapter are repealed.

(42 U.S.C. 9861 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511; amended October 30, 1984, P.L. 98-558, sec. 302, 98 Stat. 2887.

Subchapter D—Grants to States for Planning and Development of Dependent Care Programs and for Other Purposes

AUTHORIZATION OF APPROPRIATIONS

SEC. 670A. For the purpose of allotments to States to carry out the activities described in section 670D, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985 and 1986.

(42 U.S.C. 9871) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2880.

ALLOTMENTS

SEC. 670B. (a) From the amounts appropriated under section 670A for each fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to the total amount appropriated under such section for such fiscal year as the population of the State bears to the population of all States, except that no State may receive less than $50,000 in each fiscal year.

(b) For the purpose of the exception contained in subsection (a), the term "State" does not include Guam, American Samoa, the Virgin Islands,[1] the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(42 U.S.C. 9872) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2880.

PAYMENTS UNDER ALLOTMENTS TO STATES

SEC. 670C. The Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotments under section 670B from amounts appropriated under section 670A.

(42 U.S.C. 9873) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2880.

USE OF ALLOTMENTS

SEC. 670D. (a) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 670C from its allotment under section 670B for fiscal year 1985 and fiscal year 1986 may be used for the planning, development, establishment, expansion, or improvement by the States, directly or by grant or contract with public or private entities, of State and local resource and referral systems to provide information concerning the availability, types, costs, and locations of dependent care services. The information provided by any such system shall include—

(1) the types of dependent care services available, including services provided by individual homes, religious organizations, community organizations, employers, private industry, and public and private institutions;

(2) the costs of available dependent care services;

(3) the locations in which dependent care services are provided;

(4) the forms of transportation available to such locations;

(5) the hours during which such dependent care services are available;

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[1] Reference should be to the United States Virgin Islands.

(6) the the dependents eligible to enroll for such dependent care services; and

(7) any resource and referral system planned, developed, established, expanded, or improved with amounts paid to a State under this subchapter.

In carrying out clause (7) of the previous sentence, no information shall be included with respect to any dependent care services which are not provided in compliance with the laws of the State and localities in which such services are provided.

(b)(1) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 670C from its allotment under section 670B for fiscal year 1985 and fiscal year 1986 may be used for the planning, development, establishment, expansion, or improvement by the States, directly, or by grant or contract, with public agencies or private nonprofit organizations of programs to furnish school-age child care services before and after school in public or private school facilities or in community centers in communities where school facilities are not available.

(2) The State, with respect to the uses of funds described in paragraph (1) of this subsection shall—

(A) provide assurances, in the case of an applicant that is not a State or local educational agency, that the applicant has or will enter into an agreement with the State or local educational agency, institution of higher education or community center containing provisions for—

(i) the use of facilities for the provision of before or after school child care services (including such use during holidays and vacation periods),

(ii) the restrictions, if any, on the use of such space, and

(iii) the times when the space will be available for the use of the applicant;

(B) provide an estimate of the costs of the establishment of the child care service program in the facilities;

(C) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this Act;

(D) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse as well as handicapped school-age children in the child care service program for which assistance is sought under this Act;

(E) provide assurances that the child care program is in compliance with State and local licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served; and

(F) provide such other assurance as the Governor may reasonably require to carry out the provisions of this Act.

(c) Of the allotment to each State in each fiscal year—

(1) 40 percent shall be available for the activities described in subsection (a); and

(2) 60 percent shall be available for the activities described in subsection (b).

(d) A State may not use amounts paid to it under this subchapter to—

(1) pay the costs of operation of any resource and referral system or before or after school child care program established, expended, or improved under subsection (a);

(2) make cash payments to intended recipients of dependent care services including child care services;

(3) subsidize the direct provision of dependent care services including child care services;

(4) pay for construction or renovation; or

(5) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

(e)(1) The Federal share of any project supported under this subchapter shall be not more than 75 percent.

(2) Not more than 10 percent of the allotment of each State under this subchapter may be available for the cost of administration.

(f) Projects supported under this section to plan, develop, establish, expand, or improve a State or local resource and referral system or before or after school child care program shall not duplicate any services, which prior to the date of enactment of this subchapter, are provided by the State or locality which will be served by such system.

(g) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this subchapter.

(42 U.S.C. 9874) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2880.

APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

SEC. 670E. (a)(1) In order to receive an allotment under section 670B, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

(2) Each application required under paragraph (1) for an allotment under section 670B shall contain assurances that the State will meet the requirements of subsection (b).

(b) As part of the annual application required by subsection (a), the chief executive officer of each State shall—

(1) certify that the State agrees to use the funds allotted to it under section 670B in accordance with the requirements of this subchapter; and

(2) certify that the State agrees that Federal funds made available under section 670C for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

(c) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the

State will receive under section 670C, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) until September 30, 1987, as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subchapter, and any revision shall be subject to the requirements of the preceding sentence.

(d) Except where inconsistent with the provisions of this subchapter, the provisions of section 1903(b), paragraphs (1) through (5) of section 1906(a), and sections 1906(b), 1907, 1908, and 1909 of the Public Health Service Act shall apply to this subchapter in the same manner as such provisions apply to part A of title XIX of such Act.

(42 U.S.C. 9875) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2882.

REPORT

SEC. 670F. Within three years after the date of enactment of this subchapter, the Secretary shall prepare and transmit to the Senate Committee on Labor and Human Resources and the House Committee on Education and Labor a report concerning the activities conducted by the States with amounts provided under this subchapter.

(42 U.S.C. 9876) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2883.

DEFINITIONS

SEC. 670G. For purposes of this subchapter—

(1) the term "community center" means facilities operated by nonprofit community-based organizations for the provision of recreational, social, or educational services to the general public;

(2) the term "dependent" means—

(A) an individual who has not attained the age of 17 years;

(B) an individual who has attained the age of 55 years; or

(C) a person with a developmental disability;

(3) the term "developmental disability" has the same meaning as in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act;

(4) the term "equipment" has the same meaning given that term by section 198(a)(8) of the Elementary and Secondary Education Act of 1965;

(5) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(6) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(7) the term "school-age children" means children aged five through thirteen;

(8) the term "school facilities" means classrooms and related facilities used for the provision of education;

(9) the term "Secretary" means the Secretary of Health and Human Services;

(10) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands; and

(11) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965.

(42 U.S.C. 9877) Added October 30, 1984, P.L. 98-558, sec. 109, 98 Stat. 2883.

Subtitle B—Community Services Block Grant Program

SHORT TITLE

Sec. 671. This subtitle may be cited as the "Community Services Block Grant Act".

(42 U.S.C. 9901 note) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511.

COMMUNITY SERVICES GRANTS AUTHORIZED

Sec. 672. (a) The Secretary is authorized to make grants in accordance with the provisions of this subtitle, to States to ameliorate the causes of poverty in communities within the State.

(b) There is authorized to be appropriated $389,375,000 for the fiscal year 1982 and for each of the 4 succeeding fiscal years to carry out the provisions of this subtitle. There is authorized to be appropriated $400,000,000 for the fiscal year 1985, and $415,000,000 for the fiscal year 1986, to carry out the provisions of this subtitle.

(42 U.S.C. 9901) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511; amended October 30, 1984, P.L. 98-558, sec. 201, 98 Stat. 2884.

DEFINITIONS

Sec. 673. For purposes of this subtitle:

(1) The term "eligible entity" means any organization which was officially designated as a community action agency or a community action program under the provisions of section 210 of the Economic Opportunity Act of 1964 for fiscal year 1981, unless such community action agency or a community action program lost its designation under section 210 of such Act as a result of a failure to comply with the provisions of such Act. The term "eligible entity" also includes any limited purpose agency designated under title II of the Economic Opportunity Act of 1964 for fiscal year 1981 which served the general purposes of a community action agency under title II of such Act, unless such designated agency lost its designation under title II of such Act as a result of a failure to comply with the provisions of such Act, any grantee which received financial assist-

ance under section 222(a)(4) of the Economic Opportunity Act of 1964 in fiscal year 1981, and any organization to which a State which applied for and received a waiver from the Secretary under Public Law 98-139 made a grant under this Act in fiscal year 1984. In any geographic area of a State not presently served by an eligible entity, the Governor of the State may decide to serve such a new area by—

(A) requesting an existing eligible entity which is located and provides services in an area contiguous to the new area to serve the new area;

(B) if no existing eligible entity is located and provides services in an area contiguous to the new area, requesting the eligible entity located closest to the area to be served or an existing eligible entity serving an area within reasonable proximity of the new area to provide services in the new area; or

(C) where no existing eligible entity requested to serve the new area decides to do so, designating any existing eligible entity, any organization which has a board meeting the requirements of section 675(c)(3) or any political subdivision of the State to serve the new area. The Governor's designation of an organization which has a board meeting the requirements of section 675(c)(3) or a political subdivision of the State to serve the new area shall qualify such organization as an eligible entity under this Act.

(2) The term "poverty line" means the official poverty line defined by the Office of Management and Budget based on Bureau of the Census data. The Secretary shall revise the poverty line annually (or at any shorter interval the Secretary deems feasible and desirable) which shall be used as a criterion of eligibility in community service block grant programs. The required revision shall be accomplished by multiplying the official poverty line by the percentage change in the Consumer Price Index for all Urban Consumers during the annual or other interval immediately preceding the time at which the revision is made. Whenever the State determines that it serves the objectives of the block grant established by this subtitle the State may revise the poverty line to not to exceed 125 percent of the official poverty line otherwise applicable under this paragraph.

(3) The term "Secretary" means the Secretary of Health and Human Services.

(4) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(42 U.S.C. 9902) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 511; amended December 29, 1981, P.L. 97-115, sec. 17, 95 Stat. 1609; amended May 21, 1984, P.L. 98-288, sec. 31, 98 Stat. 197; amended October 30, 1984, P.L. 98-558, sec. 202, 98 Stat. 2884.

STATE ALLOCATIONS

SEC. 674. (a)(1) The Secretary shall from the amount appropriated under section 672 for each fiscal year which remains after—

(A) the Secretary makes the apportionment required in subsection (b)(1); and

(B) the Secretary determines the amount necessary for the purposes of section 681(b);

allot to each State an amount which bears the same ratio to such remaining amount as the amount received by the State for fiscal year 1981 under section 221 of the Economic Opportunity Act of 1964 bore to the total amount received by all States for fiscal year 1981 under such part, except that no State shall receive less than one-quarter of 1 percent of the amount appropriated under section 672 for such fiscal year.

(2) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(b)(1) The Secretary shall apportion one-half of 1 percent of the amount appropriated under section 672 for each fiscal year on the basis of need among Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(2) Each jurisdiction to which paragraph (1) applies may receive grants under this subtitle upon an application submitted to the Secretary containing provisions which describe the programs for which assistance is sought under this subtitle, and which are consistent with the requirements of section 675.

(c)(1) If, with respect to any State, the Secretary—

(A) receives a request from the governing body of an Indian tribe or tribal organization within the State that assistance under this subtitle be made directly to such tribe or organization; and

(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly to provide benefits under this subtitle;

the Secretary shall reserve from amounts which would otherwise be allotted to such State under this subtitle for the fiscal year the amount determined under paragraph (2).

(2) The Secretary shall reserve for the purpose of paragraph (1) from sums that would otherwise be allotted to such State not less than 100 percent of an amount which bears the same ratio to the State's allotment for the fiscal year involved as the population of all eligible Indians for whom a determination under this paragraph has been made bears to the population of all individuals eligible for assistance under this subtitle in such State.

(3) The sums reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

(4) In order for an Indian tribe or tribal organization to be eligible for an award for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe by regulation.

(5) The terms "Indian tribe" and "tribal organization" means those tribes, bands, or other organized groups of Indians recognized in the State in which they reside or considered by the Secretary of the Interior to be an Indian tribe or an Indian organization for any purpose.

(42 U.S.C. 9903) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 512.

APPLICATIONS AND REQUIREMENTS

SEC. 675. (a) Each State desiring to receive an allotment for a fiscal year under this subtitle shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require. Each such application shall contain assurances by the chief executive officer of the State that the State will comply with subsection (b) and will meet the conditions enumerated in subsection (c).

(b) After the expiration of the first fiscal year in which a State received funds under this subtitle, no funds shall be allotted to such State for any fiscal year under this subtitle unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under this subtitle for such fiscal year.

(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State agrees to—

(1) use the funds available under this subtitle—

(A) to provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

(B) to provide activities designed to assist low-income participants including the elderly poor—

(i) to secure and retain meaningful employment;

(ii) to attain an adequate education;

(iii) to make better use of available income;

(iv) to obtain and maintain adequate housing and a suitable living environment;

(v) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;

(vi) to remove obstacles and solve problems which block the achievement of self-sufficiency;

(vii) to achieve greater participation in the affairs of the community; and

(viii) to make more effective use of other programs related to the purposes of this subtitle;

(C) to provide on an emergency basis for the provision of such supplies and services, nutritious foodstuffs, and related services, as may be necessary to counteract conditions of starvation and malnutrition among the poor;

(D) to coordinate and establish linkages between governmental and other social services programs to assure the ef-

fective delivery of such services to low-income individuals; and

(E) to encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community;

(2)(A) use, for fiscal year 1985 and for each subsequent fiscal year, not less than 90 percent of the funds alloted to the State under section 674 to make grants to use for the purposes described in clause (1) to eligible entities (as defined in section 673(1)) or to organizations serving seasonal or migrant farmworkers, except that no more than 7 percent of the funds available for this subclause shall be granted to organizations which were not eligible entities during the previous fiscal year; and

(B) provide assurances that the State will not expend more than the greater of $55,000 or 5 percent of its allotment under section 674 for administrative expenses at the State level;

(3) provide assurances that, in the case of a community action agency or nonprofit private organization, each board will be constituted so as to assure that (A) one-third of the members of the board are elected public officials, currently holding office, or their representatives, except that if the number of elected officials reasonably available and willing to serve is less than one-third of the membership of the board, membership on the board of appointive public officials may be counted in meeting such one-third requirement; (B) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served; and (C) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community;

(4) give special consideration in the designation of local community action agencies under this subtitle to any community action agency which is receiving funds under any Federal antipoverty program on the date of the enactment of this Act, except that (A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and (B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, the State shall give special consideration in the designation of community action agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds in the fiscal year preceding the fiscal year for which the determination is made;

(5) provide assurances that the State may transfer funds, but not to exceed 5 percent of its allotment under section 674, for the provisions set forth in this subtitle to services under the Older Americans Act of 1965, the Head Start program under subchapter B of chapter 8 of subtitle A of this title, the energy crisis intervention program under title XXVI of this Act (relating to low-income home energy assistance), or the Temporary Emergency Food Assistance Act of 1983;

(6) prohibit any political activities in accordance with subsection (e);

(7) prohibit any activities to provide voters and prospective voters with transportation to the polls or provide similar assistance in connection with an election or any voter registration activity;

(8) provide for coordination between antipoverty programs in each community, where appropriate, with emergency energy crisis intervention programs under title XXVI of this Act (relating to low-income home energy assistance) conducted in such community;

(9) provide that fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under this subtitle, including procedures for monitoring the assistance provided under this subtitle, and provide that at least every year each State shall prepare, in accordance with subsection (f), an audit of its expenditures of amounts received under this subtitle and amounts transferred to carry out the purposes of this subtitle;

(10) permit and cooperate with Federal investigations undertaken in accordance with section 679; and

(11) provide assurances that any community action agency or migrant and seasonal farmworker organization which received funding in the previous fiscal year under this Act will not have its present or future funding terminated under this Act unless after notice, and opportunity for hearing on the record, the State determines that cause existed for such termination subject to review by the Secretary as provided in section 676A.

The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection. The Secretary shall provide to the chief executive officer of each State appropriate information regarding designated limited purpose agencies and grantees which meet the requirements of the second sentence of section 673(1). No eligible entity which receives funds for a project or activity under clause (2)(A)(i) of this subsection may receive funds otherwise available under this subtitle for that project or activity.

(d)(1) In addition to the requirements of subsection (c), the chief executive officer of each State shall prepare and furnish to the Secretary a plan which contains provisions describing how the State will carry out the assurances contained in subsection (c). The chief executive officer of each State may revise any plan prepared under this paragraph and shall furnish the revised plan to the Secretary.

(2) Each plan prepared under paragraph (1) shall be made available for public inspection within the State in such a manner as will facilitate review of, and comment on, the plan.

(e) For purposes of chapter 15 of title 5, United States Code, any nonprofit private organization receiving assistance under this subtitle which has responsibility for planning, developing, and coordinating community antipoverty programs shall be deemed to be a State or local agency. For purposes of clauses (1) and (2) of section 1502(a) of such title, any such organization receiving assistance under this subtitle shall be deemed to be a State or local agency.

(f) Each audit required by subsection (c)(9) shall be conducted by an entity independent of any agency administering activities or services carried out under this subtitle and shall be conducted in accordance with generally accepted accounting principles. Within 30 days after the completion of each audit, the chief executive officer of the State shall submit a copy of such audit to the legislature of the State and to the Secretary.

(g) The State shall repay to the United States amounts found not to have been expended in accordance with this subtitle or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this subtitle.

(h) The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this subtitle in order to assure that expenditures are consistent with the provisions of this subtitle and to determine the effectiveness of the State in accomplishing the purposes of this subtitle.

(i)(1) For purposes of determining compliance with this subchapter the Secretary shall conduct, in several States in each fiscal year, evaluations of the uses made of funds received under this subchapter by such States.

(2) The results of such evaluations shall be submitted annually to the chairman of the Committee on Education and Labor of the House of Representatives and the chairman of the Committee on Labor and Human Resources of the Senate.

(42 U.S.C. 9904) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 513; amended December 29, 1981, P.L. 97-115, sec. 17, 95 Stat. 1609; amended October 30, 1984, P.L. 98-558, sec. 203, 98 Stat. 2885.

ADMINISTRATION

SEC. 676. (a) There is established in the Department of Health and Human Services an Office of Community Services. The Office shall be headed by a Director.

(b) The Secretary shall carry out his functions under this subtitle through the Office of Community Services established in subsection (a).

(42 U.S.C. 9905) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 515.

TERMINATION OF FUNDING REVIEW

SEC. 676A. The Secretary shall upon request review any termination of funding to a community action agency or migrant and seasonal farmworker organization protected by a State's assurance under section 675(c)(11). Such review shall be conducted promptly and shall be based upon the record and no determination shall become effective until a finding by the Secretary confirming the State's finding of cause.

(42 U.S.C. 9905a) Added October 30, 1984, P.L. 98-558, sec. 203, 98 Stat. 2886.

NONDISCRIMINATION PROVISIONS

SEC. 677. (a) No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or

activity funded in whole or in part with funds made available under this subtitle. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) Whenever the Secretary determines that a State that has received a payment under this subtitle has failed to comply with subsection (a) or an applicable regulation, he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable; or (3) take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that the State is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(42 U.S.C. 9906) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 516.

PAYMENTS TO STATES

SEC. 678. (a) From its allotment under section 674, the Secretary shall make payments to each State in accordance with section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), for use under this subtitle.

(b) Payments to a State from its allotment for any fiscal year shall be expended by the State in such fiscal year or in the succeeding fiscal year.

(42 U.S.C. 9907) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 516.

WITHHOLDING

SEC. 679. (a)(1) The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State which does not utilize its allotment substantially in accordance with the provisions of this subtitle and the assurances such State provided under section 675.

(2) The Secretary shall respond in an expeditious and speedy manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the provisions of this subtitle or the assurances provided by the State under section 675. For purposes of this paragraph, a violation of any one of the assurances contained in section 675(c) that constitutes a disregard of that assurance shall be considered a serious complaint.

(b)(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under

this subtitle in order to evaluate compliance with the provisions of this subtitle.

(2) Whenever the Secretary determines that there is a pattern of complaints from any State in any fiscal year, the Secretary shall conduct an investigation of the use of funds received under this subtitle by such State in order to ensure compliance with the provisions of this subtitle.

(3) The Comptroller General of the United States shall conduct an investigation of the use of funds received under this subtitle by a State in order to ensure compliance with the provisions of this subtitle.

(c) Pursuant to an investigation conducted under subsection (b), a State shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

(42 U.S.C. 9908) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 517; amended October 30, 1984, P.L. 98-558, sec. 205, 98 Stat. 2886.

LIMITATION ON USE OF GRANTS FOR CONSTRUCTION

SEC. 680. (a) Except as provided in subsection (b), grants made under this subtitle (other than amounts made available under section 681(b)) may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this subtitle, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

(b) The Secretary may waive the limitation contained in subsection (a) upon the State's request for such a waiver if he finds that the request describes extraordinary circumstances to justify the purchase of land or the construction of facilities (or the making of permanent improvements) and that permitting the waiver will contribute to the State's ability to carry out the purposes of this subtitle.

DISCRETIONARY AUTHORITY OF SECRETARY

SEC. 681. (a) The Secretary is authorized, either directly or through grants, loans, or guarantees to States and public agencies and private nonprofit organizations, or contracts or jointly financed cooperative arrangements with States and public agencies and private nonprofit organizations, to provide for—

(1) training related to the purposes of this subtitle;

(2) ongoing activities of national or regional significance related to the purposes of this subtitle, including special emphasis programs for—

(A) special programs of assistance to private, locally initiated community development programs which sponsor enterprises providing employment and business development opportunities for low-income residents of the area;

(B) Rural Development Loan Fund revolving loans and guarantees under subchapter A of chapter 8 of subtitle A of this title;

(C) community development credit union programs administered under subchapter A of chapter 8 of subtitle A of this title;

(D) technical assistance and training programs in rural housing and community facilities development;

(E) assistance for migrants and seasonal farmworkers; and

(F) national or regional programs designed to provide recreational activities for low-income youth; and

(3) training and technical assistance to aid States in carrying out their responsibilities under this subchapter.

In addition, grants, loans, and guarantees made pursuant to this subsection may be made to a private nonprofit organization applying jointly with a business concern.

(b) Of the amounts appropriated under section 672(b) for any fiscal year, not more than 9 percent of such amounts shall be available to the Secretary for purposes of carrying out this section and subchapter A of chapter 8 of subtitle A of this title.

(42 U.S.C. 9910) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 518; amended October 30, 1984, P.L. 98-558, sec. 204, 98 Stat. 2886.

COMMUNITY FOOD AND NUTRITION

SEC. 681A. (a) The Secretary may through grants to public and private nonprofit agencies, provide for community-based, local, and statewide programs—

(1) to coordinate existing private and public food assistance resources, whenever such coordination is determined to be inadequate, to better serve low-income populations;

(2) to assist low-income communities to identify potential sponsors of child nutrition programs and to initiate new programs in underserved or unserved areas; and

(3) to develop innovative approaches at the State and local level to meet the nutrition needs of low-income people.

(b) There is authorized to be appropriated $2,500,000 for each of the fiscal years 1985 and 1986 to carry out the provisions of this section.

(42 U.S.C. 9910a) Added October 30, 1984, P.L. 98-558, sec. 206, 98 Stat. 2886.

TRANSITION PROVISIONS

SEC. 682. (a)(1) The purpose of this section is to permit, for fiscal year 1982 only, States to choose to operate programs under the block grant established by this subtitle or to have the Secretary operate programs under the provisions of law repealed by section 683(a).

(2) The Secretary shall carry out the provisions of this section through the Office of Community Services established in section 676(a).

(b)(1) Notwithstanding the provisions of section 683(a) or any other provision of law, a State may, for fiscal year 1982 only, make

a determination that the State chooses not to operate programs under the block grant established by this subtitle. If the State makes such a determination, the State's allotment under section 674 shall be used within the State by the Secretary to carry out programs (in accordance with paragraph (4)) under the provisions of law in effect on September 30, 1981, but repealed by section 683(a).

(2) The provisions of paragraph (1) apply to the provisions of law referred to in such paragraph, regardless of whether there is a specific termination provision or other provision of law repealing or otherwise terminating any program subject to this Act.

(3) Each State which, pursuant to paragraph (1), determines to have the Secretary operate programs under the provisions of law in effect on September 30, 1981, but repealed by section 683(a), shall give notice to the Secretary of such detemination. Such notice shall be submitted to the Secretary prior to the beginning of the first quarter of fiscal year 1982 and at least 30 days before the beginning of any other quarter during such fiscal year. For purposes of this section, the quarters for fiscal year 1982 shall commence on October 1, January 1, April 1, and July 1 of fiscal year 1982.

(4)(A) In any case in which the Secretary carries out programs under paragraph (1), the Secretary shall provide for the carrying out of such programs by making grants for such purpose to eligible entities (as defined in section 673(1), to migrant and seasonal farm worker organizations, or to both such entities and such organizations or to entities designated under subparagraph (B).

(B)(i) In any case in which a community action agency is denied refunding or is terminated for cause by the Secretary during fiscal year 1982 (regardless of whether such community action agency seeks review of such determination), the Secretary, with the concurrence of the chief executive officer of the State involved, may designate another public or private nonprofit agency to administer a community action program (as defined in section 210(a) of the Economic Opportunity Act of 1964, as in effect on September 30, 1981) in the same community.

(ii) If, after the Secretary makes a designation under clause (i) and before the State involved begins operating programs under the block grant established in this subtitle, a final determination is made to restore funding to the community action agency which was terminated or whose refunding was denied, then the agency designated under clause (i) shall lose its designation (as of the effective date of such final determination).

(iii) Notwithstanding the foregoing provisions of this section, if the Secretary makes a designation under clause (i), then the agency so designated shall be considered to be an eligible entity for purposes of this subtitle through fiscal year 1983.

(c) The Secretary shall provide such assistance to the States as the States may require in order to carry out the provisions of this section.

(d) The Secretary may reserve not more than 5 percent of any State's allotment for administration of such State's programs under the block grant established by this subtitle, if such State has made a determination that the State chooses not to operate programs under the block grant established by this subtitle, and the

Secretary is carrying out such State's programs under the provisions of law in effect on September 30, 1981.

(e) Upon the enactment of this Act, the Director of the Office of Management and Budget is authorized to provide for termination of the affairs of the Community Services Administration. He shall provide for the transfer or other disposition of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with implementation of the authorities terminated by section 683(a) as necessary to effectuate the purposes of this subtitle.

(42 U.S.C. 9911) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 518; amended December 29, 1981, P.L. 97-115, sec. 17, 95 Stat. 1609; amended September 30, 1982, P.L. 97-274, 96 Stat. 1183.

REPEALER; REAUTHORIZATION PROVISIONS; TECHNICAL AND CONFORMING PROVISIONS

SEC. 683. (a) Effective October 1, 1981, the Economic Opportunity Act of 1964, other than titles VIII and X of such Act, is repealed.

(b) There is authorized to be appropriated such sums as may be necessary for each of the fiscal years 1982, 1983, and 1984, to carry out title VIII of the Economic Opportunity Act of 1964.

(c)(1) Any reference in any provision of law to the poverty line set forth in section 624 or 625 of the Economic Opportunity Act of 1964 shall be construed to be a reference to the poverty line defined in section 673(2) of this Act.

(2) Any reference in any provision of law to any community action agency designated under title II of the Economic Opportunity Act of 1964 shall be construed to be a reference to private nonprofit community organizations eligible to receive funds under this subtitle.

(3) No action or other proceeding commenced by or against any officer in the official capacity of such individual as an officer of any agency administering the Act repealed by subsection (a) of this section shall abate by reason of the enactment of this Act.

(42 U.S.C. 9912) Enacted August 13, 1981, P.L. 97-35, 95 Stat. 519; amended May 21, 1984, P.L. 98-288, sec. 31, 98 Stat. 197.

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